

JAN 19 2016

January 11th, 2016

Mr. Alan Bata
Class I Well Permitting
UIC Branch (WU-16J)
US EPA Region 5
77 W. Jackson Blvd
Chicago, IL 60604-3590

Re: CLASS I NON HAZARDOUS APPLICATION No. MI-133-11-0004,0005,0006
OSCEOLA AND MECOSTA COUNTY, MICHIGAN

VIA: Overnight Mail and Electronic Mail

Dear Mr. Batka:

As per our phone conversation and email correspondence on January 8th, 2016 concerning the above referenced Michigan Potash Operating application Submitted on January 9th 2015, you have indicated that the Michigan State Bond is sufficient for verification of Necessary Resources, Attachment R. Therefore; as per your direction, please find attached :

- (1) A cover letter and cash conformance bond addressed to the State of Michigan, Department of Environmental Quality for the above referenced wells and associated application for permit; and
- (2) copies of the certified checks representing cash coverage of \$ 33,000 per well; each in the amount of \$ 33,000 for the MPC 1D, MPC 2D, and MPC 3D (MI-133-11-0004,0005,0006 respectively), which is in excess of third party estimates for the proper plug and abandonment of said wells.

Therefore, please accept the following information as it concerns verification of Necessary Resources and satisfactory conformance to plug and abandon the subject wells.

Please feel free to contact me directly with comments, questions, or concerns.

Sincerely,



Theodore Pagano, P.E., P.G.
Manager
Michigan Potash Operating LLC

MICHIGAN POTASH OPERATING, LLC

JAN 19 2016

January 11th, 2016

Mr. Joe Pettit
Office of Oil, Gas and Minerals
Michigan Department of Environmental Quality
PO Box 30256
Lansing, MI 48909-7756

RE: Class I Non Hazardous Salt Water Disposal Wells
VIA: Overnight Mail and Electronic Mail

Dear Mr. Pettit:

As per our phone conversation dated Monday January 11th, the Environmental Protection Agency, Region V, Underground Injection Control permitting group has indicated that they will accept the Michigan Department of Environmental Quality Conformance Bond for *Class I Non-Hazardous Brine Disposal wells*. Michigan Potash Operating initiated the permitting process at the Environmental Protection Agency on January 9th, 2015, under the following naming convention :

Well Name : MPC 1D
Location: Township 17 North, Range 8 West, Evart Township, Michigan Meridian
Surface: Section 31: NW/4
SHL Lat, Long: 43.825947, -85.323008

Well Name : MPC 2D
Location: Township 17 North, Range 8 West, Evart Township, Michigan Meridian
Surface: Section 31: NW/4
SHL Lat, Long: 43.825948, - 85.322932

Well Name : MPC 3D
Location: Township 17 North, Range 9 West, Hersey Township, Michigan Meridian
Surface: Section 36: SE/4
SHL Lat, Long: 43.818448, - 85.326073.

An application for the above referenced wells with the Office of Oil, Gas and Minerals is pending and should be expected within the month or earlier, provided Michigan Potash Operating coordinate the dual effort between the Environmental Protection Agency and the Michigan Department of Environmental Quality and the timing thereof. Therefore, the bond is being placed in advance of the State permitting application. Please find attached, (3) three Cashiers Checks, made in the amount of \$ 33,000 apiece so as to individually cover the MPC 1D, the MPC 2D, and the MPC 3D.

Please feel free to contact me directly with comments, questions, or concerns.

Sincerely,



Theodore Pagano, P.E., P.G.
Manager
Michigan Potash Operating LLC

Cc: Allan Batka, Lisa Perenchio, EPA
Ray Vugrinovich, OGM, MDEQ

YOUNG

MPC 1D (CONFORMANCE BOND)

REMITTER

ON ACCOUNT OF MICHIGAN POTASH
COMPANY LLC10403 W. COLFAX AVE.
LAKEWOOD, CO 80216
(800) 964-3444

1299221

82-504/1070

DATE January 11, 2016

PAY TO THE ORDER OF STATE OF MICHIGAN

\$33,000.00

\$33,000.00

This document has a colored background, foil hologram, thermo ink, and a backside authentic watermark; absence of these features will indicate a copy.

CASHIER'S CHECK

Notice to Customer: If this check is lost, stolen, or destroyed within 90 days of the date it is issued, we will not pay or reissue a replacement check without an indemnity bond or other adequate security. After 90 days, we will pay or reissue a replacement check upon receipt of a properly executed declaration of loss form.



AUTHORIZED SIGNATURE

⑈001299221⑈ ⑆107005047⑆ 2160200336⑈

YOUNG

REMITTER

ON ACCOUNT OF MICHIGAN POTASH
COMPANY LLCMPC 1D (CONFORMANCE BOND)
PAYABLE TO STATE OF MICHIGAN10403 W. COLFAX AVE.
LAKEWOOD, CO 80216
(800) 964-3444

1299221

82-504/1070

DATE January 11, 2016

FIRSTBANK
ABA #107005047

JAN 11 2016

YOUNG #905
WHEAT RIDGE, CO
68 TELLER 68

AMOUNT

\$33,000.00

CASHIER'S CHECK RECEIPT

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NOT NEGOTIABLE

JAN 19 2016

YOUNG
MPC 2D (CONFORMANCE BOND)

REMITTER
ON ACCOUNT OF MICHIGAN POTASH
COMPANY LLC



10403 W. COLFAX AVE
LAKEWOOD, CO 80215
(800) 964-3444

1299219

82-504/1070

DATE January 11, 2016

PAY TO THE ORDER OF STATE OF MICHIGAN

\$33,000.00
DOLLAR THREE THREE THOUSAND ZERO ZERO ZERO PERIOD ZERO ZERO

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Ministry of Finance

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MPC 2D (CONFORMANCE BOND)
REMITTER

ON ACCOUNT OF MICHIGAN POTASH
COMPANY LLC



10403 W. COLFAX AVE.
LAKEWOOD, CO 80215
(800) 964-3444

1299219

82-504/1070

DATE January 11, 2016

PAYABLE TO STATE OF MICHIGAN

FIRSTBANK
ABA #107005047

AMOUNT
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JAN 11 2016

YOUNG #905
WHEAT RIDGE, CO
68 TELLER 68

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NOT NEGOTIABLE

JAN 19 2016

YOUNG

MPC 3D (CONFORMANCE BOND)

REMITTER

ON ACCOUNT OF MICHIGAN POTASH
COMPANY LLC

1STBANK

10403 W. COLFAX AVE
LAKEWOOD, CO 80215
(800) 964-3444

1299220

82-504/1070

DATE January 11, 2016

PAY TO THE ORDER OF STATE OF MICHIGAN

\$33,000.00

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AUTHORIZED SIGNATURE

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YOUNG

MPC 3D (CONFORMANCE BOND)

REMITTER

ON ACCOUNT OF MICHIGAN POTASH
COMPANY LLC

1STBANK

10403 W. COLFAX AVE.
LAKEWOOD, CO 80215
(800) 964-3444

1299220

82-504/1070

DATE January 11, 2016

PAYABLE TO STATE OF MICHIGAN

FIRSTBANK
ABA #10700504

AMOUNT

\$33,000.00

JAN 11 2016

YOUNG #900
WHEAT RIDGE, CO
68 TELLER 6

CASHIER'S CHECK RECEIPT

Notice to Customer: If this check is lost, stolen, or destroyed within 90 days of the date it is issued, we will not pay or reissue a replacement check without an indemnity bond or other adequate security. After 90 days, we will pay or reissue a replacement check upon receipt of a properly executed declaration of loss form.

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